

Q3 FY24: PB Fintech posts strong numbers, PAT positive with 43% revenue growth

Q3 FY24 - YoY

1. Scale
 - a. Insurance Premium at ₹ 4,261Cr, an ARR of ₹17k Cr
 - b. Credit Disbursal ARR of ₹14k Cr and 5.6L Credit Cards
2. Core Online Business
 - a. New Protection (Health Insurance + Term Insurance) Premium up 44%
 - b. Operating Revenue ₹ 593Cr, up 39%
 - c. Contribution Margin improves to 44%
 - d. Adjusted EBITDA improves to ₹ 76Cr from ₹ 26Cr, Margin improves to 13% from 6%
3. Total Business
 - a. Operating Revenue ₹ 871Cr, up 43%
 - b. Adjusted EBITDA Margin improves to 4% from -5%
 - c. PAT grew by ₹ 125Cr to ₹ 37Cr from a PAT loss of ₹ 87Cr
 - d. Cash position improved by ₹ 204Cr YoY to ₹ 5,150Cr
4. New Initiatives
 - a. Operating Revenue of ₹278 Cr, up 50%
 - b. Contribution Margin break-even achieved
 - c. Continued leadership in PB Partners, our B2B2C agent aggregation platform

Commenting on results, the company stated:

1. Revenue of our Core Online marketplaces, Policybazaar and Paisabazaar, grew 39% to ₹593Cr, while improving their Adjusted EBITDA by ₹50Cr YoY for Q3 FY24. Our Adjusted EBITDA for the last 6 quarters has improved by ₹50Cr each quarter, in line with our annual guidance of incremental ~₹200Cr adjusted EBITDA.
2. Our total Insurance Premium for the quarter was ₹4,261Cr, an ARR of ₹17k Cr Insurance Premium.
3. Our renewal / trail revenue is at an ARR of ₹454 Cr, up from ₹317 Cr last year same quarter. This typically operates at over 85% margins and is a significant source of profit growth.
4. We continue to improve our customer onboarding & claims support services and maintain Insurance CSAT of 88%.
5. Credit business continues to grow very well and has been adjusted EBITDA positive since Dec 2022. We are now at the annualized run rate of ₹14k Cr Credit Disbursal and about 5.6L Credit Card issuance on an annualized basis. Our total Credit Score consumer base now is over 41mn.
6. 75%+ of cards were processed end-to-end 100% digitally. 75%+ disbursals are from existing customers.

We continue to strengthen our leadership in New Initiatives while building further efficiencies. Our new initiatives are break-even on Contribution Margin basis in Q3 FY24.

1. PB Partners, our agent aggregator platform, continues to lead the market in scale & efficiency of operations.
 - a) We have moved the business increasingly towards smaller and higher quality advisors.
 - b) Most diversified across different lines of businesses.
 - c) Present in 17.1k pin codes across India, covering over 90% of pin codes in India.
2. Our UAE Insurance premium has grown 2.4x YoY.

Our Total Operating Revenue for the first nine months is ₹ 2,348Cr and consolidated PAT improved by ₹ 482Cr to ₹ 4Cr.